Calendar No. 228

99TH CONGRESS
1st Session

SENATE

REPORT
99-103

PEARL HARBOR SURVIVORS ASSOCIATION

JULY 15, 1985.—Ordered to be printed

Mr. THURMOND, from the Committee on the Judiciary, submitted the following

REPORT

[To accompany H.R. 1042]

The Committee on the Judiciary to which was referred the bill (H.R. 1042) to grant a Federal charter to the Pearl Harbor Survivors Association, having considered the same, reports favorably thereon without amendment and recommends that the bill do pass.

PURPOSE

The bill, H.R. 1042, would grant a Federal charter to the organization know as the Pearl Harbor Survivors Association.

HISTORY

Bills to grant a Federal charter to the Pearl Harbor Survivors Association have been introduced sixteen times since the 93rd Congress (1973). The legislation was introduced in the 93rd Congress as S. 1727 by Senator Daniel Inouye (D-Ha.), as H.R. 6645 by Representative Felix Hebert (D-La.), as H.R. 12264 by Representative Frank Thompson, Jr., (D-N.J.), as H.R. 16618 by Representative William Herbert Hudnut (R-Ind.), in the 94th Congress as S. 118 and as S. 1218 by Senator Inouye, as H.R. 5021 by Representative Spark M. Matsunaga (D-Ha.), and as H.R. 6544 by Representative Samuel Stratton (D-N.Y.); in the 95th Congress as S. 119 by Senator Inouye; in the 96th Congress as S. 2599 by Senator Inouye; in the 97th Congress as S. 131 by Senator Inouye and as H.R. 2022 by Representative James J. Florio (D-N.J.); and in the 99th Congress as S. 84 by Senator Inouye, as H.R. 1042 by Representative Bernard J. Dwyer (D-N.J.), as H.R. 1111 by Representative Jim Courter (R-

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N.J.), and as H.R. 1394 by Representative Arlan Stangeland (R-Minn).

In the aforementioned twelve-year period, only H.R. 1042 has been considered by the House and the Senate. On April 2, 1985, the Subcommittee on Administrative Law and Governmental Relations of the House Committee on the Judiciary held a hearing on the Pearl Harbor Survivors Association. Of the three House measures, H.R. 1042 was approved for full Judiciary Committee action by the Subcommittee on April 3. The House Committee on the Judiciary approved the measure on April 30, 1985, by voice vote [1] and reported the same on May 8. H.R. 1042 passed the House on May 13,[2] and on May 14 [3] was received in the Senate and referred to the Committee on the Judiciary.

STATEMENT

The Pearl Harbor Survivors Association (PHSA), founded in 1958, was incorporated in the State of Missouri on June 30, 1964. The membership of the organization is comprised of anyone who was a member of the armed forces of the United States stationed at Pearl Harbor, on the Island of Oahu, or offshore (not exceeding three miles), on December 7, 1941. With its national offices located in both Pennsylvania (membership) and Massachusetts (administration), the Association maintains 8 districts with 127 chapters having active members in all 50 States.[4]

The Pearl Harbor Survivors is operated for educational, patriotic, and charitable purposes. As part of its declaration of purpose, the PHSA has included in its articles of incorporation, in pertinent part, the following:

> "(2) To collate, preserve, and encourage the study of historical episodes, chronicles, mementos, and events pertaining to 'The Day of Infamy, 7 December 1941,' and in particular those memories and records of patriotic service performed by the heroic Pearl Harbor survivors and non-survivors.
>
> "(3) To shield from neglect the graves, past and future, of those who served at Pearl Harbor on such day.
>
> "(4) To stimulate communities and political subdivisions into taking more interest in the affairs and future of the United States in order to keep our Nation alert."[5]

Cooperating with all veterans' organizations in common projects to serve the interests of veterans, the Pearl Harbor Survivors Association members participate in voluntary service work at veterans' hospitals. In addition, the PHSA conducts a national memorial service on December 7 to remember "The Day of Infamy." The Association is dedicated to keeping the memory of that day alive in the minds of all Americans.

Organized as a nonprofit organization, the Association is supported by membership dues and expends its funds by purchasing memorial plaques for gravesites of those killed in the Japanese attack

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[1] H.R. Rep. No. 71, 99th Cong., 1st Sess. 2 (1985).
[2] 131 Cong. Rec. H3126-H3128 (daily ed. May 13, 1985).
[3] 131 Cong. Rec. S6071 (daily ed. May 14, 1985).
[4] 131 Cong. Rec. S211-S212 (daily ed. January 3, 1985) (Statement of Senator Daniel Inouye).
[5] H.R. 1042, 99th Congress, 1st Session (1985), sec. 3.

on Pearl Harbor and other Pearl Harbor survivors. The organization maintains a tax-exempt status under Section 501(c)(4) of the Internal Revenue Code.

National in scope due to the nature and broad base of its membership, The Pearl Harbor Survivors Association would be on an equal footing with other veterans' organizations upon receipt of a Federal charter. Also, granting a Federal charter to the PHSA would help the Association honor the memories of those killed at Pearl Harbor.

The purpose of this legislation is merely to recognize an existing organization chartered by the State of Missouri. It does not expand any corporate rights or relieve any corporate responsibilities established by the Missouri charter. Moreover, this legislation specifically requires compliance with the laws of the State or the laws of the District of Columbia governing the election of corporate officers and the responsibilities of the board of directors for the corporation. It also specifically requires compliance with existing State and D.C. laws governing service of process.

In order to ensure responsible and appropriate conduct on the part of the corporation, the legislation prohibits certain corporate acts and establishes certain requirements for the corporation. The legislation prohibits the loan or transfer of corporate income or assets to officers, members, or other persons (except for compensation or expenses) or the issuance of stock or the payment of dividends. The legislation further prohibits the corporation from claiming congressional approval or Federal Government authority for any of its activities, lobbying, or other political activity by the corporation. The legislation requires the corporation to keep certain records, to perform an annual audit, and to report to Congress annually. Should the corporation engage in any prohibited activity or fail to perform any of the requirements established by this legislation, or if the corporation fails to maintain its tax-exempt status, the Federal charter granted by this legislation will expire automatically as a matter of law. In addition, the right to use the name "Pearl Harbor Survivors Association," and the seals, emblems, and badges the corporation may have are protected.

In recognition of the merits of the organization, there is broad bipartisan support in the Senate for a Federal charter for the Pearl Harbor Survivors Association. The Senate companion measure to H.R. 1042, S. 84, currently has 51 cosponsors.

Committee Vote

On June 7, 1985, with a quorum present, by voice vote, and without objection heard, the Committee on the Judiciary ordered the bill favorably reported.

Cost Estimate

In compliance with paragraph 11(a), rule XXVI of the Standing Rules of the Senate, the Committee estimates that enactment of this legislation will involve no direct additional expenditure to the Government. The Committee notes the following letter from the Congressional Budget Office:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, June 18, 1985.

Hon. STROM THURMOND,
Chairman, Committee on the Judiciary,
U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has reviewed H.R. 1042, a bill to grant a federal charter to the Pearl Harbor Survivors Association, as ordered reported by the Senate Committee on the Judiciary, June 7, 1985. CBO estimates that no costs to federal, state, or local governments will result from the enactment of this bill.

The Pearl Harbor Survivors Association is a nonprofit corporation organized under the laws of the State of Missouri. H.R. 1042 officially grants the association a federal charter and recognizes it as a nonprofit corporation established under federal law. The bill places restrictions on some activities the association may undertake, provides for the annual auditing of the association's accounts by independent certified public accountants, and requires that an annual report of the association's activities be submitted to the Congress.

If you wish further details on this estimate, we will be pleased to provide them.

With best wishes,
Sincerely,

RUDOLPH G. PENNER.

REGULATORY IMPACT

In compliance with paragraph 11(b), rule XXVI of the Standing Rules of the Senate, the Committee has concluded that this legislation does not create any new regulations with which the public must comply.

CHANGES IN EXISTING LAW

In compliance with paragraph 12, rule XXVI of the Standing Rules of the Senate, changes in existing law made by H.R. 1042, as reported, are shown as follows (new matter is printed in italic and existing law in which no change is proposed is shown in roman).

UNITED STATES CODE

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TITLE 36—PATRIOTIC SOCIETIES AND OBSERVANCE

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CHAPTER 42—AUDITS OF FEDERALLY CHARTERED CORPORATIONS

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§ 1101. Definition of private corporations established under Federal law.

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(69) Pearl Harbor Survivors Association.

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